

# **FISCAL NOTE**

## **HB 2242 - SB 2682**

February 2, 2000

**SUMMARY OF BILL:** Prohibits any telecommunications service provider under the jurisdiction of the Tennessee Regulatory Authority from charging a person for less than 25 operator assistance service calls made in one month to one telephone number registered as the person's residence and one mobile telephone number registered to such person. Authorizes the Tennessee Regulatory Authority to promulgate appropriate rules.

### **ESTIMATED FISCAL IMPACT:**

**Decrease State Revenues - Exceeds \$600,000**

**Decrease Local Govt. Revenues - Exceeds \$200,000**

Estimate assumes a loss of state and local sales tax revenues. Based on industry statistics the amount of revenues collected by telephone companies in Tennessee from directory assistance is estimated to exceed \$10,000,000. Sales taxes are currently collected on such revenues by the state at a rate of 6% and by local governments at a rate of 2.25%. Rates charged for directory assistance vary by service provider, as does the number of directory assistance calls that can be made before a charge is levied. Rates charged ranged from \$.29 up to \$1.40 depending on the service provider and the type of assistance provided.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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